SPECIAL ADMINISTRATOR

OF

THE DETROIT WATER AND SEWERAGE DEPARTMENT

ORDER NUMBER 2004-11

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Honorable City Council

Honorable Board of Water Commissioners

Department Heads and Deputies

Executive Staff Boards and Commissions

SUBJECT:

Approval of Change Orders to City of Detroit Water Distribution Line

Replacement Contracts

On February 7, 2000, the Federal District Court issued an Order and Supplement to Order Appointing Special Administrator for the Detroit Wastewater Treatment Plant of the Detroit Water and Sewerage Department ("DWSD") in the matter of U.S. EPA v City of Detroit, et al, Case No. 77-71100 ("Orders"). The Orders created the position of Special Administrator of the Detroit Wastewater Treatment Plant for the purpose of correcting the causes of noncompliance by DWSD with its NPDES permit and for the purpose of achieving long term, sustained compliance with the permit. On December 3, 2001, by Order Continuing Special Administratorship for the Detroit Water and Sewerage Department, effective at 12:01 a.m. on January 1, 2002, I was appointed Special Administrator of the Detroit Water and Sewerage Department, and the purposes of the Orders were continued. The February 7, 2000 Order directs me to address and correct the various problems with the management and operation of the Detroit Water and Sewerage Department that were identified in the January 17, 2000 Report of the Committee of Investigation, by carrying out the provisions of the July 12, 1999 Plan for Compliance of the Detroit Water and Sewerage Department and by carrying out the recommendations of the Organizational and Operational Review ("OOR") Report of March 1995. These documents form the foundation of the responsibilities to be undertaken by me.

The Orders, as continued by the December 3, 2001 Order, further provides that as Special Administrator, I shall have full power and authority to control, manage and operate the DWSD, including all functions and powers of the Detroit City Council, the Detroit Board of Water Commissioners, the DWSD and any other departments, boards or divisions of the City of Detroit to the extent that they affect my ability to meet the requirements of sustained compliance with the NPDES permit, the Second Amended Consent Judgment ("SACJ"), and other specific responsibilities outlined in those Orders. They also provide me the power to enter into and perform all contractual obligations of the system, and to hire such contractors which I deem necessary or appropriate.

Pursuant to Special Administrator Order 2003-3, I authorized DWSD Director (b)(6). (b) to enter into a Program Management Contract for the design and oversight of a water distribution line replacement project in the center core of the City. That Order was issued, in part, to help me satisfy my obligations under the various Federal Court Orders to assure preservation of water and sewer infrastructure through policies and practices for the repair, rehabilitation and replacement of major facilities. In accordance with my prior Order, (b)(6), (b) entered into a contract with DLZ to perform those design and construction oversight services. The City of Detroit subsequently entered into seven contracts, on an emergency procurement basis, for the construction services related to the performance of that line replacement project.

I have been advised that, in order to complete the work contemplated under Special Administrator Order 2003-3, Change Orders to the seven construction contracts need to be issued on an expedited basis. Upon consideration of these matters, I have determined it is necessary to authorize those Change Orders by Special Administrator Order in order to complete the work in the manner and on the schedule contemplated under Special Administrator Order 2003-3.

I HEREBY AUTHORIZE DWSD Director (b)(6), (b) (7)(C) to enter expeditiously into the Change Orders ("CO") listed below at a cost not to exceed \$6,058,133.56.

WS-642, CO-1; WS-649, CO-1; WS-650, CO-1; WS-651, CO-1 and 2; WS-655, CO-1; WS-656, CO-1, 2 and 3; WS-657, CO-1 and 2

> KYAME M. KILPATRYCK, MAYO Special Administrator

Detroit Water and Sewerage Department

Dated: 12/13/

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